



**STATEMENT FOR THE RECORD BEFORE THE HOUSE PUBLIC & BEHAVIORAL
HEALTH & HUMAN SERVICES COMMITTEE ON HB 23-1303: PROTECT AGAINST
INSURERS' IMPAIRMENT AND INSOLVENCY**

April 25, 2023
Lindsey Vigoda, Colorado Director
Small Business Majority

Thank you Chairwoman Michaelson-Jenet and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower America's diverse entrepreneurs to build a thriving and equitable economy. I am here to share our support for HB 23-1303. This legislation includes critical protections for Coloradans and small businesses in the event of an insurance company failure, which would severely impact their ability to access affordable healthcare.

We can't ignore the fact that rising healthcare costs continue to put a strain on the pockets of our job creators. Even prior to the pandemic, small business owners struggled to afford health insurance for their employees and their families. In fact, a Small Business Majority [survey](#) revealed that more than 1 in 3 (34%) small businesses report it's been a challenge to obtain health insurance coverage for themselves and their employees. Similarly, a [recent survey](#) found that nearly 7 in 10 small business owners cited healthcare costs as a top concern, among other issues. That's why it's not surprising to learn that 71% of small business owners believe policymakers should prioritize bringing down the cost of healthcare.

Now we are faced with the growing threat of multiple insurer insolvencies, which underscores the importance of having a strong insurance marketplace. In addition, we must think about what simultaneous insurer insolvencies would mean for health coverage in rural Colorado. As it stands, rural communities have limited access to healthcare providers, and many are seeing rising costs in facility charges brought on, in part, by mergers and consolidations of hospital facilities happening across our state. This makes it even more challenging for our rural small businesses to access and provide health insurance coverage. What you decide today will have large implications on what affordable and accessible healthcare looks like for communities across our state, but particularly our rural communities that are already struggling with costs.

Small businesses and their employees should not be financially responsible or at risk when an insurer goes insolvent. Passing HB 23-1303 is vital to ensuring greater consumer protections around insurer impairment and insolvency and its impacts on healthcare premiums, as well as preventing further insolvencies of other insurers.

We strongly encourage you to pass House Bill 23-1303 to protect consumers in Colorado, including small businesses and their employees.

Thank you,
Lindsey Vigoda
Colorado Director, Small Business Majority